
By: **Delegates Boschert and Rawlings**
Introduced and read first time: February 6, 2003
Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Local Government - Water and Wastewater Facilities - Design/Build/Operate**
3 **Contracts - Funds**

4 FOR the purpose of authorizing a local government to enter into a certain partnership
5 with certain entities for the purpose of entering into certain contracts;
6 authorizing a local government to apply for a loan from certain revolving loan
7 funds to finance certain contracts for certain water or wastewater facility
8 projects; authorizing the use of a certain loan to finance certain engineering and
9 consultation costs; providing that a certain loan may be repaid by a certain
10 concession fee; defining certain terms; providing for the construction of this Act;
11 and generally relating to design/build/operate contracts for water and
12 wastewater facilities entered into by local governments.

13 BY adding to
14 Article - Environment
15 Section 9-1106
16 Annotated Code of Maryland
17 (1996 Replacement Volume and 2002 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article - Environment**

21 9-1106.

22 (A) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
23 INDICATED:

24 (1) "DESIGN/BUILD/OPERATE CONTRACT" MEANS A CONTRACT WITH A
25 TERM OF UP TO 30 YEARS, THAT PROVIDES FOR BOTH ARCHITECTURAL AND
26 ENGINEERING DESIGN SERVICES, CONSTRUCTION SERVICES, AND OPERATING
27 SERVICES AS A PART OF A SINGLE CONTRACT.

1 (2) "LOCAL GOVERNMENT" HAS THE MEANING STATED IN § 9-1601(Q) OF
2 THIS TITLE.

3 (3) "WASTEWATER FACILITY" HAS THE MEANING STATED IN § 9-1601(U)
4 OF THIS TITLE.

5 (4) "WATER SUPPLY SYSTEM" HAS THE MEANING STATED IN § 9-201(U)
6 OF THIS TITLE.

7 (B) A LOCAL GOVERNMENT MAY FORM A PUBLIC-PRIVATE PARTNERSHIP FOR
8 THE PURPOSE OF ENTERING INTO A DESIGN/BUILD/OPERATE CONTRACT FOR A
9 WATER SUPPLY SYSTEM OR A WASTEWATER FACILITY.

10 (C) (1) A LOCAL GOVERNMENT MAY APPLY FOR A LOAN FROM THE
11 MARYLAND WATER QUALITY REVOLVING LOAN FUND UNDER § 9-1605 OF THIS TITLE
12 OR THE MARYLAND DRINKING WATER REVOLVING LOAN FUND UNDER § 9-1605.1 OF
13 THIS TITLE IN ORDER TO FINANCE ALL OR PART OF A DESIGN/BUILD/OPERATE
14 CONTRACT FOR A WATER SUPPLY SYSTEM OR A WASTEWATER FACILITY.

15 (2) THIS SECTION MAY NOT BE CONSTRUED TO PRECLUDE A LOCAL
16 GOVERNMENT FROM EXERCISING THEIR BONDING AUTHORITY TO FINANCE ALL OR
17 PART OF A DESIGN/BUILD/OPERATE CONTRACT FOR A WATER SUPPLY SYSTEM OR A
18 WASTEWATER FACILITY.

19 (D) A LOAN FROM THE MARYLAND WATER QUALITY REVOLVING LOAN FUND
20 OR FROM THE MARYLAND DRINKING WATER REVOLVING LOAN FUND MAY BE USED
21 TO FINANCE ENGINEERING AND CONSULTING COSTS ASSOCIATED WITH
22 DEVELOPING A PLAN AND A REQUEST FOR PROPOSAL TO CONSTRUCT OR RENOVATE
23 A WATER SUPPLY SYSTEM OR A WASTEWATER FACILITY USING A
24 DESIGN/BUILD/OPERATE CONTRACT. THE LOAN MAY BE REPAID THROUGH THE
25 COLLECTION OF A CONCESSION FEE FROM THE SUCCESSFUL BIDDER FOR THE
26 DESIGN/BUILD/OPERATE CONTRACT UPON EXECUTION OF THE CONTRACT.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2003.